Shell Exploration & Production Company



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VIA E-MAIL

October 29, 2001

Department of the Interior Minerals Management Service (MS 4020) 381 Elden Street Herndon, Virginia 20170-4817

Attention: Rules Processing Team

Subject: COMMENTS SPECIFIC TO MMS' PROPOSED RULE

REGARDING PIPELINE REPAIR AND MODIFICATION

PROCEDURES ON THE OCS

REF: SUBPART J (FR VOL. 66, NO. 167)

Shell Exploration and Production Company (SEPCo) appreciates the opportunity to submit comments on the Minerals Management Service (MMS) proposed rule pertaining to safety and pollution prevention procedures prior to implementing pipeline repairs or modifications on pipeline segments which transverse the OCS. SEPCo is a leading producer of oil and gas and a large leaseholder in the Gulf of Mexico and is the operator of both lease term and right-of-way pipelines on the Shelf and in deep waters. As such, we are very interested in providing comments on the proposed regulations.

SEPCo has also participated in and hereby adopts the comments prepared and submitted by the Offshore Operators Committee (OOC). In addition to the OOC comments, we have attached general comments to this letter.

SEPCo appreciates the opportunity to comment on the MMS' proposed pipeline repair and modification regulations. If you have any questions concerning these comments, please contact Mark Davis at (504) 728-0198.

Yours truly,

Originally signed by Phil Smith

Phil B. Smith
Team Leader – Permits and Issues
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MMS COMMENTS FOR "PROPOSED RULE" SPECIFIC TO PIPELINE MODIFICATIONS AND REPAIRS

GENERAL COMMENTS

- 1. If a Company has an approved "Welding, Burning and Hot-tapping Plan" on file with the appropriate MMS District, would the reference to this plan in a permit application (or modification) be sufficient? This would be in lieu of including detailed procedures in every application.
- 2. This proposed rule makes sense for major repairs such as cutting a riser, sub-sea repair work, or other major repairs. It should NOT apply to our more routine topsides work including pulling meters for maintenance, replacing a valve or gasket, adding/replacing transmitters or auxiliary equipment, etc.
- 3. Requiring MMS PL Section' review and approval for any topsides activity when we "open a pipeline at a flange" would require additional time and resources and would impact our work. It seems the MMS should be more clear on defining when this review process and approval are necessary. Raises concerns with the practicality of MMS handling the high volume of applications in a timely fashion.
- 4. The need for approval by MMS vs the obligation from ourselves to submit our plans and do the work in line with the plans. I would suggest that we should go for no approvals but an obligation to submit plans. This leaves the onus on us to do the work safely in line with our plans.
- 5. Operators should consider the ability to "skillet blind" on platform topsides as a means to isolate pipelines for repairs.
- 6. The proposed rulemaking needs to differentiate between sub-sea pipeline repairs with human intervention (divers) and without human intervention (ROV's). ROV's can be subjected too much harsher environmental conditions than divers can.
- 7. Does the MMS want to review and approve written work plans for all pipelines that are opened at a flange. This would include submitting work plans for replacing flanged valves on the topsides of a platform. Is the MMS staffed adequately to review and comment on every flanged valve replacement that takes place in the Gulf of Mexico? Review and approval of repair plans should be timely such that operators are not discouraged from replacing or repairing leaking valves.

REF. RULE SUMMARY

"Eventually all pipeline valves leak internally". Not ALL pipeline valves leak -if this were the case many routine pipeline operations such as operational pigging would not happen. On new construction projects, pipeline valves are installed in a condition whereby they do not leak internally. Pipeline valves that leak internally usually develop problems as a result of improper maintenance or improper operation. Therefore, the focus should be on an operator's maintenance and operations programs as they relate to the ability of pipeline valves to isolate pipelines for repair.

REF. FRN PAGE NO. 45237 "Internal Valve Leakage in Pipelines"

"Participants in the API Spec 6D work group almost unanimously agree that all pipeline valves leak significantly after they have been in service for a short time due to operational residue and abrasion". Industry has many pipelines that we operationally pig on a routine basis where we rely on pigging valves for positive shutoff.

- "(1) Consider the operating history of the pipeline segment to be modified or repaired, including past modifications or repairs and operating conditions peculiar to that segment". The word "maintenance" should be added as an item to consider.
- "(3) Develop procedures first to inform all facility workers (both company and contract workers) in advance concerning the nature of any upcoming modification or repair, and then to alert all facility workers immediately before any attempts to de-pressure a pipeline and immediately before cutting into or opening any pipeline to perform the modification or repair". The procedures should follow OSHA Guidelines on lock-out/tag-out procedures. Following proper lock-out/tag-out procedures will ensure safe pipeline repairs.
- "(4) Ensure that they maintain onsite supervision during the entire modification or repair". The word "qualified" should be added for onsite supervision.